

August 21, 2020

**Re: In re BarFly Ventures, LLC, et al., Case No. 20-01947
Evidence of Adequate Assurance of Future Performance**

To Whom It May Concern:

We refer to that certain Asset Purchase Agreement, dated as of July 9, 2020 (as may be amended, restated or otherwise modified from time to time, the “Stalking Horse Agreement”), by and among BarFly Ventures, LLC, a Michigan limited liability company, and each of its debtor affiliates (collectively, the “Sellers”) and Project BarFly LLC, a Delaware limited liability company (the “Buyer”).

If the Buyer is selected as the successful bidder, it is expected that the Buyer will acquire certain of the Sellers’ assets and assume certain of the Sellers’ liabilities subject to the terms and conditions of the Stalking Horse Agreement (the “Acquisition”). The purpose of this letter is to provide you with information assuring you of the Buyer’s ability to adequately perform and satisfy the obligations under the terms and conditions of existing agreements with the Sellers that are being assigned to and assumed by the Buyer pursuant to the Acquisition. This letter and the attachments are being provided to you in accordance with paragraph 29 of the Order (A) *Approving Bidding Procedures and Scheduling Sale Hearing*, (B) *Approving the Form of the Asset Purchase Agreement, Including the Bid Protections*, and (C) *Granting Related Relief* [Docket No. 184], entered in the Sellers’ chapter 11 cases on July 22, 2020.

The Buyer is a newly created entity formed by Congruent Credit Opportunities Fund III, LP (“Congruent”), Main Street Capital Corporation (“Main Street”), and HMS Income Fund, Inc. (“HMS,” and together with Congruent and Main Street, collectively, the “Secured Lenders”). The Secured Lenders provided Sellers with funding secured by liens on substantially all of the Sellers’ assets, pursuant to that certain Credit Agreement, dated as of August 31, 2015 (the “Credit Agreement”). As of the date the Sellers filed their chapter 11 petitions, approximately \$29.5 million remained outstanding on amounts owed by the Sellers under the Credit Agreement.

Congruent is a North American private-investment firm based in Dallas, Texas, primarily focused on making debt and equity investments in lower-middle-market companies. Congruent has approximately \$220 million of investment capital under management, with an investor base consisting of foundations, endowments, pension funds, insurance companies, and high-net-worth individuals. Main Street is a publicly traded principal investment firm that provides long-term debt and equity capital to lower-middle-market companies and debt capital to middle-market companies, across diverse industry sectors. Main Street is invested in 177 portfolio companies and has approximately \$4.0 billion of investment capital under management as of June 30, 2020. Main Street is headquartered in Houston, Texas, and its common stock trades on the New York Stock Exchange under the symbol “MAIN.” HMS is a publicly registered, non-listed business-development company sponsored by Hines Interests Limited Partnership (“Hines”), an international investment-management firm with approximately \$133.3 billion in assets under management as of December 31, 2019. HMS focuses primarily on debt and equity investments

in private middle-market and lower-middle-market U.S. companies. HMS is sub-advised by a wholly owned subsidiary of Main Street.

The Buyer will be capitalized by a revolving credit facility to fund the working-capital and growth-capital needs of the business comprising the assets acquired through the Acquisition. Given this post-sale financing, there is expected to be more than adequate funding for the Buyer to satisfy all obligations that arise in the ordinary course of business for the foreseeable future. The proven track record and financial wherewithal of the Secured Lenders provide further assurance of the Buyer's ability to operate the business as a going concern.

If you have any questions regarding the above or want to request additional information, please email such requests to Paul Hastings LLP, Attn: Matt Murphy (mattmurphy@paulhastings.com) and Nathan Gimpel (nathangimpel@paulhastings.com).